

FWP Revenue Jumps, Slips and Dips on Wild Ride in 2011

For Montana Fish, Wildlife & Parks, the past year has offered a mixed bag of financial news affected by a voter initiative, new legislation, and a troubling across-the-board downturn in hunting and fishing license buyers.

At this early date, it's nearly impossible to draw any direct cause and effect relationships among several high-profile issues and events.

The topsy-turvy revenue stream of 2011 poses questions that need to be comprehensively examined to find answers.

With that in mind, FWP produced this summary of its financial revenue stream for 2011 with a focus on three issues.

Below, FWP lists revenue directly related to the passage of voter Initiative-161, the enactment of House Bill 607, and direct fishing and hunting license purchases. ►



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REVENUE FOLLOWING THE PASSAGE OF I-161

In November 2010, the passage of I-161 ended the sale of about 7,800 guaranteed nonresident hunting licenses, known as “Outfitter Sponsored Licenses.” The initiative also raised the cost of nonresident combination licenses and resulted in all nonresident applicants competing equally in the drawings for the limited number of deer and elk hunting licenses. Additionally, I-161 changed how FWP must distribute nonresident deer and elk hunting licenses revenue.

License Sales Distribution	5 Yr Avg Prior to I-161	I-161 Revenue	I-161 Net Loss/Gain
General License	\$9,090,000	\$9,230,000	\$140,000
Upland Game Bird	\$400,000	\$400,000	\$0
Habitat Montana	\$3,610,000	\$5,080,000	\$1,470,000
Hunting Access	\$4,930,000	\$5,380,000	\$450,000
Search and Rescue	\$10,000	\$10,000	\$0
TOTAL	\$18,040,000	\$20,100,000	\$2,060,000

THE UPSHOT: The first column shows the five-year average revenue FWP received prior to the passage of I-161. The second column shows revenue following I-161’s passage. Upon examining the potential financial affect of the voter initiative’s passage, FWP correctly forecast a net revenue gain of \$2 million.

REVENUE FOLLOWING ENACTMENT OF HOUSE BILL 607

The 2011 Montana Legislature passed into law HB607, which further affected nonresident Big Game Combo and Deer Combo license revenue. The law allows a successful Big Game (deer & elk) Combo applicant, who does not obtain an elk permit via the special drawing, to turn in the elk license and retain the deer, fishing, and upland game bird licenses and receive a \$358 refund. HB607 also changed the distribution of the revenue when the Big Game Combo applicant chooses to invoke this option.

In 2011, FWP received 805 requests to return the elk license and keep the deer license included in the Big Game Combo license. Although available for resale, none of the returned 805 elk licenses were purchased by other nonresidents. That amounted to a potential revenue loss of about \$600,000, due to unsold licenses.

License Sales Distribution	HB607 Returns	HB607 Deer Reissues	HB607 Net Loss/Gain	HB607 Elk Reissues (Unsold)
General License	(\$390,000)	\$450,000	\$60,000	(\$600,000)
Upland Game Bird	(\$20,000)	\$0	(\$20,000)	
Habitat Montana	(\$130,000)	\$0	(\$130,000)	
Hunting Access	(\$190,000)	\$0	(\$190,000)	
Search and Rescue	\$0	\$0	\$0	
TOTAL	((\$730,000))	\$450,000	(\$280,000)	(\$600,000)

THE UPSHOT: The first two columns show how HB607 shaped revenue redistribution to the specific programs. First, the full price of the Big Game Combo license is pulled out of its traditional distribution programs and earmarked accounts. Then, the amount from the deer combination license is distributed to just the General License account. The third column shows the net gain or loss to the programs and earmarked accounts. The final column shows the unrealized revenue of \$600,000 that would have gone into the General License Account, had the more than 800 returned elk only licenses been resold.



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2011 GENERAL HUNTING AND FISHING LICENSE REVENUE COMPARISONS

For 2011 license year, total revenues dropped by about \$2 million as fewer hunting and fishing license were purchased. Each of Montana's fundamental recreational licenses—conservation, fishing, upland game birds, deer and general elk—have been trending downward over the past few years, with some rather steep declines in 2011. Here is a rundown on the number of licenses purchased:

	FY 2009	FY 2010	FY 2011
Fishing			
Resident	229,727	220,809	201,669
Non-Resident	161,668	161,429	151,161
Birds <i>These numbers reflect upland game birds, waterfowl, and turkey</i>			
Resident	75,268	74,064	68,809
Non-Resident	10,217	10,332	9,560
Deer			
Resident Deer A	111,099	109,815	104,996
Resident Deer B	106,732	89,935	76,848
Non-Resident Deer B	13,205	12,117	10,101
Antelope			
Resident	48,738	47,269	43,297
Non-Resident	9,500	8,442	4,147
Elk <i>Resident general elk licenses are down; elk B are up. Overall, the total is up</i>			
Resident General Elk	83,593	83,248	79,623
Resident Elk B	8,224	6,626	19,628
Non-Resident Elk B	755	895	1,406
Conservation Licenses			
Resident	234,757	222,024	205,047
Non-Resident	158,975	158,060	146,790
Hunting Access Fees <i>The downward trends for conservation licenses and hunting access fees imply there are fewer hunters and anglers afield</i>			
Resident	171,439	167,323	162,775
Non-Resident	54,471	55,249	45,051
SuperTags			
Resident and Non-Resident	63,806	58,882	67,958

THE UPSHOT: The chart reflects actual licenses purchased. The declining trend encompasses both resident and nonresident purchases of conservation, fish, bird, deer, general elk, and antelope licenses and payment of hunting access fees. Only elk B licenses and SuperTags are showing growth. These trends do not include the nonresident combination licenses.



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